



Utah Transit Authority

Audit Committee

MEETING MINUTES - Final

669 West 200 South
Salt Lake City, UT 84101

Monday, November 15, 2021

3:00 PM

FrontLines Headquarters

Present: Chair Carlton Christensen
Jeff Acerson
Karen Cronin
Beth Holbrook

Excused: Clint Smith

Also attending were UTA staff members.

1. Call to Order & Opening Remarks

Chair Carlton Christensen welcomed attendees and called the meeting to order at 3:08 p.m.

2. Pledge of Allegiance

Attendees recited the Pledge of Allegiance.

3. Safety First Minute

Mike Hurst, UTA Director of Internal Audit, delivered a brief safety message.

4. Consent

a. Approval of August 23, 2021 Audit Committee Meeting Minutes

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that the consent agenda be approved. The motion carried by unanimous vote.

5. Internal Audit Update

a. Internal Audit Update

Chair Christensen announced that Mike Hurst was recently selected to fill the role of director of internal audit at UTA.

Mr. Hurst reviewed the internal audit plan status. The fares revenue implementation follow-up, maintenance of way (infrastructure) follow-up, information technology general controls preliminary assessment, and debt preliminary assessment and audit items are currently in progress. The transit-oriented development audit has been extended to next year. All other audits slated for 2021 have been completed.

Mr. Hurst noted audits with outstanding findings, discussed the 2021 annual and fraud

risk assessments, and reported on 2021 employee financial disclosures.

Discussion ensued. Questions on software tracking, unaddressed findings, and risk assessment report timing were posed by committee members and answered by Mr. Hurst.

6. Internal Audit Report Review

a. Sensitive Data Access Audit 19-05

Mr. Hurst was joined by Dan Harmuth, UTA IT Director. Mr. Hurst reviewed the audit scope and conclusions related to sensitive data access. It was determined that key findings identified in the preliminary assessment have been addressed and processes, practices, and procedures used to manage access to sensitive data are adequate and controls are in place to mitigate risk.

Discussion ensued. Questions on changes made as a result of the audit and mitigation of vulnerabilities were posed by committee members and answered by Mr. Harmuth.

b. Fuel Cost Preliminary Assessment 21-06

Mr. Hurst was joined by Troy Bingham, UTA Comptroller. Mr. Hurst summarized the preliminary scope and recommendations of the fuel cost preliminary assessment, which include the following:

- Vanpool and Via should catalogue the fuel grade requirements of each vehicle and require drivers to meet but not exceed that grade when fueling vehicles.
- Analysis should be applied to vanpool fuel card transaction data to identify key red flags and follow up with drivers on any irregularities.
- Natural gas volumes charged on invoices should be verified against a meter measurement or a third-party source.
- Natural gas price charged on invoices should be verified against the contractual pricing.
- Management should complete a corrective action plan to ensure that pre-and post-fueling checklists are consistently completed.
- A formal process should be established to control user access to the fueling system and remove access when an employee is terminated or transferred.
- Existing fuel access records should be cleaned and standardized.

Discussion ensued during which Mr. Hurst acknowledged implementing some recommendations may not be practicable. He added a diversification of fuel sources is a good strategy. Questions on compressed natural gas (CNG) pricing verification, fuel price trends, percentage of vanpool and Via fleets that use CNG, and responsibility for user access control were posed by committee members and answered by staff.

7. Other Business

- a. Next Meeting: Monday, January 31st, 2022 at 3:00 p.m.

8. Adjourn

A motion was made by Karen Cronin, seconded by Beth Holbrook, to adjourn the meeting. The motion carried by a unanimous vote and the meeting adjourned at 4:00 p.m.

Transcribed by Cathie Griffiths
Executive Assistant to the Board Chair
Utah Transit Authority

This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/715161.html> for entire content.

This document along with the digital recording constitute the official minutes of this meeting.

Approved Date: 01/31/2022

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Carlton J. Christensen
Chair, Board of Trustees